



Foreign Agricultural Service

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## Indonesia

## Exporter Guide

## Annual

## 2001

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**Report Highlights:** Indonesia is an archipelago nation of over 200 million people, making it the world's fourth most populous nation. Following the economic crisis in mid-1997, U.S. food and agricultural exports dropped from over \$900 million in 1996 to \$489 million in 1998. U.S. agricultural exports rebounded to \$571 million in 1999, \$720 million in 2000 and will approach a record level \$1 billion in 2001. This would make Indonesia a top ten market for U.S. agricultural exports. USDA export programs have played a crucial role in this achievement, most notably GSM-102 Credit Guaranteed Program, and the PL-480 and Section 416(b) food assistance programs.

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Annual Report  
Jakarta ATO [ID2], ID

## **EXPORTER GUIDE 2002: INDONESIA**

### ***SECTION I. MARKET OVERVIEW***

#### ***Economic Trends and Outlook***

Indonesia is an archipelago nation of over 200 million people, making it the world's fourth most populous nation. From 1970 to 1996, Indonesia's annual Gross Domestic Product averaged 7 percent, resulting in a tenfold increase in per capita GDP. In 1996, total U.S. exports to Indonesia increased to over \$3.4 billion, including nearly \$900 million in agricultural and forestry products. The total for agricultural products represented more than a 100 percent increase over the 1994 total of \$420 million. This rapid expansion in overall trade with the United States led the U.S. Department of Commerce to designate Indonesia as a 'Big Emerging Market' and the Foreign Agricultural Service to open an Agricultural Trade Office in Jakarta.

Beginning in late 1997, however, Indonesia experienced a dramatic collapse in its economy, culminating in a GDP contraction of over 13 percent in 1998. This sharp economic contraction - exacerbated by a severe El Nino drought in 1997/98 and ongoing political uncertainties - resulted in Indonesia moving from 'Big Emerging Market' status to one of the world's largest recipients of food and humanitarian assistance. Concomitantly, U.S. agricultural and forestry exports dropped to \$811 million in 1997 and \$489 million in 1998.

In 1999, the Indonesian economy and in turn U.S. agricultural exports, began to recover. Flat growth in 1999 was followed by 4.8 percent GDP growth in 2000 and a projected 3.3 percent growth in 2001. During this period, U.S. agricultural exports rebounded to \$571 million in 1999, \$720 million in 2000 and will approach a record level \$1 billion in 2001. This would make Indonesia once again a top ten market for U.S. agricultural exports. USDA export programs have played a crucial role in this achievement, most notably GSM-102 Credit Guaranteed Program, and the PL-480 and Section 416(b) food assistance programs.

Though surprisingly resilient, the Indonesian economy must overcome numerous challenges before achieving a sustainable foundation for long-term growth. The most serious challenges include a crippled banking sector, large public and private sector debt, exchange rate volatility, entrenched corruption, and political uncertainty. On the positive side has been the fundamental political changes that have made Indonesia the world's third largest democracy, a major first step towards implementing the necessary economic reforms. The overall economic outlook for Indonesia is for slow but continued growth with annual U.S. agricultural exports expected to show steady though moderate growth from the 2001 level of \$1 billion.

**Market Opportunities**

- Indonesia's population of over 200 million is relatively young with more than half the population is below the age of 25. Nearly 60 percent of the population lives on Java and accounts for 60-65 percent of the sales of fast moving consumer goods. Java also has the best infrastructure although urban areas in Sumatera, Bali and Sulawesi are also developing.
- It is currently estimated that the upper and middle income groups combine to represent 20 percent of the population, or equal to about 40 million people. This is about half of the pre-crisis level of 78 million. Most of these people live in the major urban areas, including cities on Java (Jakarta, 11 million people; Surabaya, 3 million; Bandung, 1 million; and Semarang, 1 million); Sumatera (Medan, 2 million; and Palembang, 1 million); Sulawesi (Ujung Pandang, 1.5 million; and Manado, 1 million); and the island of Bali (3 million.)
- The population is becoming increasingly more literate and westernized during the past decade due to increased overseas studies and international travel; access to international TV; expansion of modern malls (about 20 in Jakarta); dramatic growth in major international hotel and restaurant chains; a significant number of western expatriates in urban areas; and dramatic growth in tourism (5.5 million international tourists in 2001).
- The peak business periods are during the holiday seasons when consumer spending increases. The most important holiday seasons are Ramadhan (the month-long Muslim fasting period in which food consumption goes up significantly), Lebaran or Idul Fitri (Muslim celebration of the end of the fasting), and Chinese New Year. Indonesians consume significantly greater amounts of flour, sugar, eggs, poultry, meat, cheese, cakes, cookies, pastries, fresh and dried fruits.
- Even though Christmas is celebrated by less than 10 percent of the population, stores take advantage of the season and decorate and promote festive foods such as special fruits, sweets and pastries. Other western celebrations such as Valentine's Day and U.S. Independence Day have also become trendy among upper-scale restaurants in Indonesia.
- The Indonesian consumer is very price conscious and susceptible to economic swings, with purchasing fluctuations occurring more in the middle and lower level income groups. Although the Indonesian consumer is traditionally loyal to brands, there are signs that brand loyalty is diminishing while "brand image" has become more important.
- More urban women are entering the workforce and choosing to stay there after marriage and children. With less time available for shopping and cooking, their focus is increasingly on convenience.
- The number of household appliances for cooking is low. For example, in the capital city of Jakarta, an estimated 43 percent of households have a refrigerator, 27 percent have a gas stove and 10 percent have a microwave oven.

<b>ADVANTAGES AND CHALLENGES FACING U.S. PRODUCTS IN INDONESIA</b>	
<b>Advantages</b>	<b>Challenges</b>
Market scale - Indonesia has a population of over 200 million people.	Weak purchasing power of the majority of the population.
Applied duties on food and agricultural products beginning in 1998 are 5 percent or less based on the Government of Indonesia's agreement with the IMF.	Import regulations are complex, often non-transparent, and require exporters to establish close business relationships with local importers/agents.
The distribution system on the island of Java is improving, providing increased access to a population of 120 million.	Infrastructure including ports and cold storage facilities outside of the main island of Java are poorly developed.
A reputation for quality is the strongest selling point for U.S. food products.	Third-country competition remains strong, especially from Australia, New Zealand and the EU.
A stabilized currency has made imported products more affordable to middle-income consumers.	Import financing remains a problem as Indonesia's banking system remains weakened by the impact of the financial crisis that began in mid-1997.
The availability of imported products will be expanded by the rapid growth of the modern supermarket sector and the western restaurant chains.	Important considerations are labeling regulations - including possible halal certification - and size of packaging tailored to the specific Indonesian market sector.
Investment by U.S. multi-nationals in the food processing sector requires world standard ingredients, including processed products targeted for regional export strategies.	Global purchasing organizations buy from the cheapest acceptable source.
Indonesia has a well-developed tourism industry with many hotel chains and restaurants purchasing imported products through local agents/importers.	In a cost-cutting measure, many hotels replaced much of their expatriate F&B staff with locally-hired staff. While most are well-qualified, they are unfamiliar with U.S. quality food products and tend to emphasize price over quality.
Indonesia is rich in natural resources, with multinational companies involved in the development of oil & gas, mining, and lumber. Some of the well-developed sites have commissary services with significant demand for imported products.	Sites tend to be in remote areas where transportation and lack of infrastructure presents barriers to cost-efficient distribution of imported food products.

## ***SECTION II: EXPORTER BUSINESS TIPS***

- While quality and price are important, they are secondary to the personal interaction of the business partners. Perhaps nowhere in the world is meeting face-to-face more important than in Indonesia.
- Visit the market to conduct market research, especially for product testing, price comparison,

adjusting the product for local tastes, and understanding government regulations. Meet the importers, distributors and retailers - they can help you with your market research.

- It is a good idea to start your research in Singapore where your product can easily move into the ASEAN region. Singaporean agents, importers, distributors and retailers are sophisticated and know the regional markets well. In addition, the shipping time is less and smaller shipment sizes can be sent into new markets from Singapore.
- Appoint one or several agents on a trial basis and provide them with incentives to get your product into the market. Support your agent by maintaining product quality. Educate the agent, the importer, the distributor, the retailer and the consumer about your product. This market for consumer-ready food products is relatively new and it should never be assumed that anyone knows how to promote, handle, and prepare your product.
- Have the agent register your product. According to Indonesian regulations, all products must be registered through the Ministry of Health to obtain an ML number. However, a significant percentage of the imported products on supermarket shelves are not registered and enter the market in mixed container loads. The registration process can be lengthy, bureaucratic and costly and generally requires a local agent or importer.
- Your product should be packed and shipped for a tropical climate, and have clear storage instructions. This is especially important as few cold storage or air-conditioned facilities and delivery trucks exist and sometimes stores turn off cold storage facilities at night to conserve energy.
- When introducing new products, several factors should be kept in mind. Indonesian consumers have an aversion to low-quality products and are attracted to branded products. They also tend to be image conscious and very price sensitive. Brand loyalty is most likely to be broken by products that are of good quality, well packaged, well-distributed, well-promoted and competitively priced, rather than cheap products.
- Tariff and Import Taxes: Indonesia's bound tariff rates on major food and agricultural items generally range from 5 to 30 percent. Temporary tariffs, however, on all food items including high valued foods were cut to a maximum of 5 percent in February 1998 under an IMF agreement and remain in effect as of 2001. The major exception is the 170 percent duty applied to all imported alcoholic beverages.
- Other Taxes: The government levies a 10 percent value-added tax on the sale of all domestic and imported goods. A luxury tax ranging from 20 percent to 35 percent is also levied on certain products. For imports, these sales taxes are collected at the point of import and are calculated based on the landed value of the product, including import duties
- Labeling and marking requirements: Regulations of food labeling are in place and the government is currently in the process of implementing new food labeling guidelines. Halal certification and

labeling is not required at this time but these guidelines are also under review. Given that more than 85 percent of the population professes the Islamic faith, it is highly recommended that a *halal* certification be obtained.

- Be patient and think long term. It is not unusual to visit the market 2-3 times before details are finalized.
- Take advantage of the services offered by the Agricultural Trade Office. We can provide a briefing in our office, provide reports and contact lists for your areas of interest, arrange hotel accommodations, and inform you of upcoming events such as U.S. food product shows and agent shows.
- The Southeast Asia Market Access Program sponsored by the Western U.S.A. Trade Association (WUSATA) and the Midwest Agricultural Trade Association (MIATCO) provides many services for a fee including store checks, competitive products shopping, distributor referrals, and in-market assistance. See Section V for contact lists of all Foreign Market Development (FMD or Cooperator) programs and Market Access Program (MAP) participants active in the food sector in Indonesia.
- *Always remember, while quality and price are important, they are secondary to the personal interaction of the business partners. Perhaps nowhere in the world is meeting face-to-face more important than Indonesia.*

### **SECTION III. MARKET SECTOR STRUCTURE AND TRENDS**

#### **A. Retail Sector:**

##### **Market Overview**

The traditional sector dominates the retail food business in Indonesia. In 2001, an A.C. Nielsen study indicates that there were 1,903,602 retail food outlets in Indonesia. Of these outlets, 814 were supermarkets (up 41 percent since 1997), 3,051 were mini-markets (up 99 percent), 59,055 were large provision shops (no change), 599,489 were small provision shops (up 66 percent), and 1,241,193 were warung provision shops (up 18 percent). It is currently estimated by trade sources that 25 percent of retail food sales in Jakarta take place in supermarkets and other modern retail outlets. Nationwide, this figure is only 5 percent.

It is difficult to obtain reliable Indonesian production and import statistics. However, trade sources estimate that imported food account for around 5 percent of retail food sales in Indonesia.

The ongoing economic crisis and political uncertainty in 2001 has reportedly had only a minimal impact on retail food sales. An exception are the speciality stores that carry a high percentage of imported items, which make them more susceptible to a volatile exchange rate and burdensome product registration requirements for imported food products. In value terms, retail food sales at hypermarket, supermarkets, and minimarkets was estimated at \$1.1 billion in 2000. This represents a 53 percent increase over the 1998 level of \$720 million. Some project that the level will triple to \$3 billion by 2005.

Most supermarkets, hypermarkets, and warehouse outlets usually buy most of their imported products from distributors or agents. Some are importing direct from foreign suppliers, particularly perishable products. This trend is expected to expand in the near future. In general, new products and suppliers must be approved by the purchasing unit in headquarters in Jakarta. Subsequent orders may take place from individual stores, especially those outside of Jakarta. Delivery is to a central warehousing facility or individual stores.

### **Future Trends**

In the near future, recently-developed patterns of consumer behavior are expected to continue. Consumers are adjusting to paying higher prices for imported and local food products. They will remain very selective in their product purchases and will be looking for good quality products at low prices. Promotion will be important as consumers will be more fickle and influenceable and there will be opportunities to replace traditional brands.

A return to pre-crisis shopping behavior is anticipated over the long term. Value-for-money will remain important to consumers, but they will also be looking for greater variety in retailers' assortments. Brand names will again become important to consumers and new product introductions will increase. There will be a growing concern with the nutrition aspects of food products.

Some retailers already offer a wide range of services to consumers, including the acceptance of credit cards, ATM services, flower departments, laundry counters, food courts near shopping areas, automated banking services, and home delivery. Some anticipate these services will be reduced in the next five years in the interest of lower retail prices. A low-price or money-back guarantee is the main addition they see to retailers' service offerings. Others suggest that emphasis will be placed on increasing service quality and efficiency, rather than adding new services.

Future trends over the next five years include Ready-to-Cook food and Ready-to-Eat food due to modern life styles and international exposure

### **Entry Strategy**

The best way to penetrate the Indonesian market is to appoint an agent. In general, the volume of imported product sales is small. An agent is needed to assure the widest distribution for your products as well as to undertake the marketing efforts necessary to create awareness for your products among consumers as well as to register your products (ML number) in National Agency for Drug and Food



Control.

In some situations, it may make sense to sell your product directly to supermarkets and/or to appoint them as the exclusive distributors. This is primarily the case when your product is a gourmet, upscale product and not likely to generate sufficient volume to interest an agent in bringing in container loads. Nevertheless, your initial sales efforts to Indonesia should include both visits with potential agents as well as with key retailers.

### **Best Market Prospects**

Best market prospects for U.S. suppliers include fresh fruit, frozen french fries, sauces & seasonings, canned foods, beans, pastas, salad dressings, and snack foods. Niche markets exist for frozen pizzas, frozen meat & poultry, delicatessen items, biscuits, confectioneries, breakfast cereals, tomato paste, cooking/salad oils, and non-alcoholic beverages

### **Further Information**

For a more detailed assessment of the Indonesia retail food sector, please see: *Indonesia, Market Development Report, Retail Sector Report 2001*. Information on how to access this report is available under Section V.

## ***B. HRI Food Service Sector***

### **Market Overview**

The Hotel, Restaurant, and Institutional (HRI) industry in Indonesia is extremely diverse. It consists of hotels, restaurants that serve local and Western food, fast food outlets, and clubs. Small restaurants, street stalls known as warungs, and hawkers that sell food to customers on the street comprise the majority of retail outlets. Catering operations service airlines, factories, and private social function. Cruise and military ships, mining and oil operations, prisons, and hospitals are also a part of this sector.

It is estimated that only 10-20 percent of the food items purchased by the HRI trade are imported products. The majority of imported products are sold to four and five-star hotels and up-scale restaurants that sell Western food. A significant volume of imported items is also sold to Western fast food outlets, but the variety is limited. Approximately 60 percent of imported food items are estimated to move the hotel and restaurant sector. Caterers and institutional users account for the remaining 40 percent.

### **Future Trends**

For the foreseeable future, it is suspected that the recent terrorist attacks will have an adverse and lingering affect on the HRI industry in Indonesia. The ensuing unrest in many parts of the world,



including Indonesia, have led continued to political and economic uncertainty. The Indonesian Ministry of Tourism estimates a decline in foreign visitors in 2001, but remain optimistic that tourist levels will rebound in 2002 to previous levels. This has led many in the HRI sector to focus more on Indonesian customers, leading to a more price conscious consumer.

### **Entry Strategy**

A U.S. exporter that is interested in selling to the HRI trade in Indonesia should look for a reputable importer/distributor to represent their products. These companies have the import licenses and knowledge of customs clearance procedures that are required to successfully bring in products. They will also have the capability and be in a position to ensure the widest distribution for your items.

Jakarta and Bali are ideal locations to target in your market entry efforts. These cities have a sizeable HRI trade, which consist of 5-star hotels and upper-scale restaurants. They also have sizeable expatriates communities and a large numbers of foreign visitors that seek imported food products.

### **Best Market Prospects**

Best market prospects for U.S. suppliers include U.S. beef, beef liver liver, and prime rib; chicken breast and other parts; duck and turkey; french fries; pastry products; sauces and seasonings; oil and vinegars; cereals; canned seafood and canned food; snack for hotel bars and room service; reasonably-priced wines; fresh fruits; liquor; beer; soft drinks, and juices; tortillas and Mexican products; tree nuts; and ice cream.

### **Further Information**

For a more detailed assessment of the Indonesia retail food sector, please see: *Indonesia, Market Development Report, HRI Sector Report 1999*. Information on how to access this report is available under Section V.

## **C. Food Processing Sector**

### **Market Overview**

Indonesia offers significant market potential for U.S. suppliers of food and agricultural ingredients into the local food processing sector. In 1997, the most recent year for which data has been published, the sector value was US\$5.94 billion. However, on a per capita basis, the market for processed food is small: \$30 per annum.

The Indonesian processed food industry encompasses most types of processed food found in a developed market. The urban middle class are the main consumers of processed food. There are at least 4,500 food processing companies in Indonesia, but less than ten major groups dominate the industry. The great majority of companies in the industry are small-scale family owned businesses.

Major groups are typically vertically integrated, owning primary production, processing and distribution facilities.

### **Entry Strategy**

The range of products represented in the industry makes recommendation of one strategy difficult. Generally applicable principles are as follows:

- C Personal contact and local representation is essential if a permanent presence in the market is envisaged.
- C Local representation requires careful and detailed research to confirm claims. Prospective representatives who claim connections to important people should be treated with extreme caution. Such connections are not necessary - commercial acumen is greater value in the market than "good connections".
- C Do not make any commitment to grant exclusive rights to a product before gaining experience of a prospective representative's capabilities.
- C Pay attention to accounting standards applied in the preparation of reports supporting the financial standing of candidate representative's or partners.

### **Investment Trends**

Foreign investment in the food processing sector is increasing as a result of liberalized investment regulations and the need for new capital during the ongoing economic crisis. A further consideration is the establishment of the AFTA trade zone giving favored treatment to regional production. Each of the following U.S.-based corporation operation's in Indonesia exports to the region using their world brand names: Heinz - PT. Heinz ABC Indonesia; Campbells Soups - PT. Arnott's Indonesia (via Australian subsidiary); and Nabisco - PT. Nabisco Foods.

European investment is strongest in the dairy foods industry with Nestle, Freische-Foremost and Nutricia all long standing participants. Japanese investment in the sector does not match its standing in other Indonesian manufacturing industry.

### **Consumption Trends:**

Significant growth potential exist in this sector for U.S. food ingredients. Indonesia will follow the economic model of shifting towards increased consumption of processed foods as the economy develops and the population becomes more urban.

### **Best Market Prospects**

Best market prospects include wheat, food-use soybeans, beef, dairy products, flavorings, processed poultry products, processed potato products, fruit concentrates, and peas & lentils.

### **Further Information**

For a more detailed assessment of the Indonesia retail food sector, please see: *Indonesia, Market Development Report, Food Processing Sector Report 1999*. Information on how to access this report is available under Section V.

### **D. Distribution System**

Due to the widespread and diverse nature of the country, involving hundreds of islands, this system is complex. In many cases, the infrastructure is insufficient, especially outside big cities and Java island. The ability to move frozen and refrigerated products is limited. There are approximately 10 national distributors who service the whole country and numerous agents/distributors with a more local reach. There are hundreds of wholesalers and millions of retailers.

A World Bank study indicated that inadequate ports were the single largest and most consistent complaint in every province and with all levels of the distribution system. The most frequent criticisms cited in the report concerned shallow drafts in ports requiring small ships and inadequate loading and unloading facilities resulting in frequent congestion. Also cited by distribution firms are the unreliable shipping schedules and inadequate number of small ships serving Eastern Indonesia, particularly during bad weather periods - which results in frequent shortages and leads firms to hold higher than desired inventories, with higher costs.

Imported products that enter the Indonesian market often move to a distributor or agent, who in turn, sells them directly to modern retail outlets. Delivery of the products may be direct to stores or to the warehousing facilities of the retailer. Only a few retailers buy directly from foreign suppliers and assume responsibility for the logistics function. Major food processors tend to buy directly while smaller operations tend to buy through local agents.

The trade in fresh fruit differs from that of other consumer-ready food products. Fresh fruit imports are dominated by trading houses that specialize in fruit, whereas other food items are widely traded. For example, it is not unusual for one importer to carry such items as meat, poultry, french fries, and confectionary ingredients and deliver them directly to the retailer. On the other hand, fresh fruit will change hands several times before reaching the consumer, usually at the wet market or curbside fruit stands.

Restaurants and retailers alike frequently complain about the poor distribution system. Their complaints center around getting a consistent supply of quality food products. Sometimes distributors sell outdated products that they purchased inexpensively or a frozen product was not stored correctly and has been refrozen. In addition, they complain about the large number of distributors they must deal with since most of the distributors carry only a handful of products or carry a limited supply.

**SECTION IV. BEST HIGH-VALUE PRODUCT PROSPECTS**

Best market prospects, as identified by the Agricultural Trade Office in Jakarta are as follows:

Rank	Product	HS Code	2000	
			Value Import from U.S. (\$ 1,000)	U.S. Market Share (%)
1	Apple, fresh	080810	21,639	51
2	Chicken cuts & offal, except livers, frozen	020741	7,205	87
3	Grapes, fresh	080610	6,892	63
4	Bovine livers, frozen	020622	6,621	45
5	Potatoes, frozen, uncooked steamed or boiled	071010	3,752	95
6	Whey	040410	3,200	208
7	Orange, fresh or dried	080510	1,974	18
8	Potatoes, prepared, frozen	200410	1,873	50
9	Almond, fresh or dried, shelled	080212	911	95
10	Dog or cat food (retail)	230910	904	46
11	Fruits and nuts, provisionally preserve	081290	904	97
12	Protein concentrates and textured prote	210610	889	28
13	Ice cream and other edible ice	210500	603	39
14	Potato flakes, granules and pellets	110520	570	81
15	Sauces nes, mixed condiments, mixed sea	210390	509	10
16	Cereals, except maize grain, prepared	190490	407	26
17	Flour or meal of dried legumes	110610	162	96

**SECTION V. KEY CONTACTS AND FURTHER INFORMATION**

<b>Government of Indonesia Contacts for Food &amp; Beverage Control</b>				
<b>Organization</b>	<b>Contact Person</b>	<b>Address</b>	<b>Phone</b>	<b>Fax</b>
National Agency for Drug and Food Control	Drs. Sampoerno, Head	Jl. Percetakan Negara 23, Jakarta Pusat, Indonesia	62-21-424-4688; 424-3605	62-21-425-0764
Department of Agriculture- Directorate General for Animal Husbandry	Drh. Sofjan Soedradjat, MS, Director	Jl. Harsono R.M. No.3, C Bld, 6 <sup>th</sup> Floor, Jakarta 12550, Indonesia	62-21-781-5580	62-21-781-5581
Department of Agriculture- Quarantine Agency	Dr. Delima Asri Azahari, Head	Jl. Pemuda No. 64, Kav 16-17, Jakarta Timur, Indonesia	62-21-489-4877	62-21-489-4877; 489-2016
<b>Indonesian Trade Association Contact List</b>				
APRINDO (Indonesian Retail Merchants Association)	Mr. Kustarjono Prodjolarito, Executive Director	E-Trade Building, Ground Floor, Jl. Wahid Hasyim No.55. Jakarta 10350, Indonesia	62-21-315-4241; 3928545	62-21-323-267
ASIBSINDO (Indonesian Fruit & Vegetables Importers Association)	Mr. Yusnan Chandra, Chairman	Jl. Kramat Kwitang IB No. 17, Jakarta, 10420, Indonesia	62-21-3190-6574	62-21-3190-6574
ASPIDI (Association of Indonesian Meat Importers)	Ms. Frieda Naderi Nalapraya, President	Wisma Rajawali 15 <sup>th</sup> Floor, Jl. Jend. Sudirman No. 34, Jakarta 10220, Indonesia	62-21-573-3160 & 573-1488	62-21-570-3135
Indonesian Fish Cannery Association	Hendri Sutandinata, MBA, Chairman	Jl. Cipinang Indah Raya No. 1, Jakarta 13420, Indonesia	62-21-819-6910	62-21-850-8587
IPS (Dairy Processor Association)	Mr. Sabana , Director & Ms. Debora Rukmawati (Secretary)	Wisma Nestle. Arcadia Office Park, Jl. Letjen T.B. Simatupang Kav 88, Jakarta 12520	62-21-7883-6000	62-21- 7883-6001
AIMMI (Indonesian Food & Beverage Importer Association )	Mr. Mario Waas, Secretary General	Grand Boutique Center, Block C-8, Jl. Arteri Mangga Dua, Jakarta 14430, Indonesia	62-21-612-2667; 628-0710	62-21-626-1351

U.S. Cooperator and MAP Participants				
Organization	Contact Person	Address	Phone	Fax
AgriSource Co., Ltd Regional representative for USA Dry Peas, Lentils & Chickpeas	Tim Welsh, Managing Director	Ambassador's Court, 4 <sup>th</sup> Floor, No. 416, 76/1 Soi Lang Suan, Ploenchit Road, Bangkok, Thailand 10330	(66-2) 251-8655 /6	(66-2) 251-0390  E-mail: agsource@loxinfo. co.th
Lieu Marketing Assoc. Pte. Ltd Regional representative for: California Pistachio Commission, California Table Grape Commission, California Tree Fruit Agreement, Pear Bureau Northwest, Raisin Administrative Committee, United States Potato Board, Wine Institute of California, FMI	Richard Lieu, Director	# 08-22 Block 3, Alexandra Distripark, Pasir Panjang Road, Singapore 118483	65-278-3832	65-278-4372  E-mail: gabaric@singnet.c om.sg
Peka Consult, Inc. Country representative for Washington Apple Commission, California Table Grape Commission, California Pear Bureau, Sun-maid raisin, Sunkist Pistachious, Welches	Kafi Kurnia, Leonard Tjahjadi, Dian Mediana	Jl. Kemang Raya No. 1, Jakarta, Indonesia 12160	(62-21) 721-1358	(62-21) 721-1357  E-mail: peka@indo.net.id
PT Swaco Prima Windutama Country representative for U.S. Grain Council and American Soybean Association	A. Ali Basry, Director	Wisma Mitra Sunter # 402 Blok C-2, Boulevard Mitra Sunter, Jl. Yos Sudarso Kav 89, Jakarta, Indonesia 14350	(62-21) 651-4752	(62-21) 651-4753  E-mail: asagrain@indosat. net.id
PacRim Assoc. Ltd Regional representative for the U.S. Dairy Export Council	Dan Fitzgerald, Director	The Regent Hotel, 155 Rajadamri Road, Bangkok, Thailand 10330	(66-2) 251-6127	(66-2) 254-6913  E-mail: usdec@pacrim.co. th

U.S. Cooperator and MAP Participants				
Organization	Contact Person	Address	Phone	Fax
U.S. Meat Export Federation	Eric Choon, Asean Director	39 Tyrwhitt Road, 3 <sup>rd</sup> Floor Suite, Singapore 207538	65-733-4255/6	65-732-1977  E-mail: echoon@usmef.com.sg
USA Poultry & Egg Export Council	Margaret Say Regional Director	# 15-04 Liat Towers, 541 Orchard Road, Singapore 238881	(65) 737-1726	(65) 737-1727  E-mail: usapeec_sing@pacific.net.sg
U.S. Wheat Associates	Mark Samson Vice President for South Asia	# 15-02 Liat Towers, 541 Orchard Road, Singapore 238881	(65) 737-4311	(65) 733-9359  E-mail: msamson@uswheat.org
American Soybean Association	John Lindblom Regional Director	#11-03 Liat Towers, 541 Orchard Rd., Singapore 238881	(65) 737-6233	(65) 737-5849  E-mail: asaspore@pacific.net.sg
U.S. Grains Council	Suresh Chandran, technical Director	Regional Director Wisma SOCFIN, Peti Surat #06 Tingkat Tiga, Jl Semantan 50490 Kuala Lumpur	(60-3) 255-9826	(60-3) 256-2053  E-mail: suresh@usgc.com.my



## ***POST CONTACT AND FURTHER INFORMATION***

The U.S. Agricultural Trade Office in Jakarta maintains up-to-date information covering food and agricultural import opportunities in Indonesia and would be pleased to assist in facilitating U.S. exports and entry to the Indonesia market. Questions or comments regarding this report should be directed to the U.S. ATO in Jakarta at the following local or U.S. mailing address:

U.S. Commercial Center  
Wisma Metropolitan II, 3rd Floor  
Jalan Jenderal Sudirman Kav.29-31  
Jakarta 12920 - Indonesia  
Tel: +62215262850  
Fax: +62215711251  
e-mail: [atojkt@cbn.net.id](mailto:atojkt@cbn.net.id)  
ATO Jakarta  
Home Page: <http://www.usembassyjakarta.org/fas>

U.S. Agricultural Trade Office  
U.S. Embassy-Jakarta  
Box 1, Unit 8129  
FPO AP 96520

Please contact our home page for more information on exporting U.S. food products to Indonesia, including "Food Processing Sector Report: Indonesia", "The Retail Sector Report: Indonesia", "The HRI Food Service Sector Report: Indonesia", "Hotel and Restaurant Industry: Bali", "Market Brief: Imports of U.S. Fresh Fruit: Indonesia", Market Brief: " Indonesian Meat Processing Industry". As of January 2002, the following reports are available; "Market Brief - Indonesian Bakery Industry", Market Brief - Indonesian Beverage Industry", "Market Brief - Beef Liver & Chicken Leg Quarter in Indonesia", and "Market Brief-Furniture Industry in Indonesia".

For more information on exporting U.S. agricultural products to other countries, please visit the Foreign Agricultural Service's Home Page: <http://www.fas.usda.gov>

## EXPORTER GUIDE: APPENDIX I. STATISTICS

### A. KEY TRADE INFORMATION FOR INDONESIA

Item				Import from the World (million)					U.S. Market Share (%)				
				2000		1999		1998	2000		1999	1998	
Agricultural Products				4,164		4,543		3,765	17		14	12	
Consumer-Oriented Agr.				818		483		388	11		11	10	
Fish & Seafood Products				37		25		17	2		2	3	
Demographic Information: Indonesia													
Total Population (million) in 2000						203.5		Annual Growth Rate in 2000				1.35 %	
Urban Population (million) in 2000						na		Annual Growth Rate in 2000				na	
Number of major Metropolitan Areas						8							
Size of the Middle Calss (millions) in 2000						na		Growth Rate in 2000				na	
Per Capita Gross Domestic Product (million) in 2000						IDR 5.77 = US \$ 554.8 *							
Unemployment Rate in 2000						6.1 %							
Per Capita Food Expenditures in 2000						IDR 1,002,151 = US \$ 96.36 *							
Percent of female Population Employeed						51 %							
Exchange Rate (US \$ 1= X.X. local currency)						See below							
Footnote: * US \$ 1=IDR 10,400													
Exchange Rate (Rp/US \$ ) on Month Ending Basis													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1997	2387	2403	2418	2443	2458	2450	2528	2190	3350	3700	3740	5700	
1998	13513	9377	8740	8211	10767	15160	13850	11700	11314	9142	7755	8100	
1999	9419	8992	8778	8632	8179	6750	6989	7736	8571	6949	7439	7161	
2000	7414	7517	7598	7988	8728	8742	9055	8370	8891	9493	9524	9385	
2001	9488	9914	10460	11675	11375	11440	11312	8670	9675	10435	10430		

**B. CONSUMER FOOD & EDIBLE FISHERY PRODUCT IMPORT**

<b>Indonesia Imports</b>	<b>Imports from the World</b>			<b>Imports from the U.S.</b>			<b>U.S Market Share</b>		
<b>(In Millions of Dollars)</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
<b>CONSUMER - ORIENTED AGRICULTURAL PRODUCT</b>	<b>388</b>	<b>483</b>	<b>818</b>	<b>40</b>	<b>51</b>	<b>86</b>	<b>10</b>	<b>11</b>	<b>11</b>
Snack Foods (Excl. Nuts)	9	9	19	1	1	1	3	2	2
Breakfast Cereals & Pancake Mix	3	3	6	1	1	1	6	7	11
Red Meats, Fresh/Chilled/Frozen	16	22	63	2	2	9	12	8	14
Red Meats, Prepared/Preserved	1	1	2	1	1	1	12	14	8
Poultry Meat	1	3	10	1	2	8	45	71	79
Dairy Products (Excl. Cheese)	111	126	253	5	12	10	5	9	4
Cheese	11	8	12	1	1	1	1	0	1
Eggs & Products	1	8	5	1	1	1	9	6	6
Fresh Fruit	36	56	135	12	15	31	33	28	23
Fresh Vegetables	63	59	64	1	1	1	0	2	0
Processed Fruit & Vegetables	19	17	30	8	7	13	44	41	43
Fruit & Vegetable Juices	2	3	4	1	1	1	10	4	6
Tree Nuts	1	1	2	1	1	1	59	34	53
Wine & Beer	1	2	1	1	1	1	7	24	12
Nursery Products & Cut Flowers	1	1	1	1	1	1	2	5	2
Pet Foods (Dog & Cat Food)	3	2	2	1	1	1	25	45	46
Other Consumer-Oriented Products	109	162	208	10	9	11	9	6	5
<b>FISH &amp; SEAFOOD PRODUCTS</b>	<b>17</b>	<b>25</b>	<b>37</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>2</b>
Salmon	1	1	1	1	1	0	2	1	0
Surimi	1	1	1	0	0	0	0	0	0
Crustaceans	6	11	12	1	1	1	4	2	3
Groundfish & Flatfish	2	3	6	1	1	1	2	1	2
Molluscs	3	4	6	1	1	1	1	0	3
Other Fishery Products	5	5	12	1	1	1	2	4	1
<b>AGRICULTURAL PRODUCTS TOTAL</b>	<b>3766</b>	<b>4544</b>	<b>4165</b>	<b>466</b>	<b>636</b>	<b>724</b>	<b>12</b>	<b>14</b>	<b>17</b>
<b>AGRICULTURAL, FISH &amp; FORESTRY TOTAL</b>	<b>3872</b>	<b>4663</b>	<b>4329</b>	<b>513</b>	<b>682</b>	<b>783</b>	<b>13</b>	<b>15</b>	<b>18</b>
Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office									

### ***C. TOP 15 SUPPLIERS OF CONSUMER FOODS & EDIBLE FISHERY PRODUCTS***

<b>CONSUMER-ORIENTED AGRICULTURAL TOTAL</b>				<b>FISH &amp; SEAFOOD PRODUCTS</b>			
<b>Import</b>				<b>Import</b>			
<b>Value 1000 \$</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>Value 1000 \$</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
New Zealand	60,444	44,001	121,356	Taiwan (Estimated)	3,310	4,045	4,732
	56,646	75,658	104,206	Korea, Republic of	136	1,052	3,934
China (Peoples Republic of)	56,569	53,832	102,673	China (Peoples Republic of)	363	1,573	3,538
United States	40,263	51,151	86,193	Japan	1,062	2,384	3,010
Thailand	28,613	39,907	59,944	Spec Cats	0	1,910	2,551
Netherlands	27,183	39,884	58,066	Vietnam	372	491	2,516
Madagascar	335	11,249	44,522	Singapore	1,179	1,111	2,462
Ireland	5,261	5,870	29,584	India	2,567	3,621	2,014
Singapore	6,963	17,731	23,133	Thailand	230	490	1,620
Philippines	7,749	4,626	22,851	Malaysia	898	848	1,503
Germany	9,381	8,654	21,382	Australia	800	779	1,214
Malaysia	10,314	28,349	17,421	Philippines	0	727	964
France	8,762	7,303	14,443	Netherlands	272	418	895
Hong Kong	10,943	12,480	10,980	United States	477	514	655
Denmark	4,522	4,668	10,761	Norway	359	773	619
Other	54,362	77,423	90,746	Other	5,179	4,510	4,523
World	388,353	482,838	818,306	World	17,217	25,261	36,762

Source: United Nations Statistics Division

**EXPORTER GUIDE****APPENDIX II: CALENDAR OF ENDORSED TRADE SHOWS IN INDONESIA**

Name of Event	FHT BALI 2002
Event Location	Nusa Indah Exhibition and Convention Centre
Industry theme	Food, Hotel and Tourism Bali 2000
Dates of Event	January 31-February 2, 2002
Type of Event	International Exhibition and Conference
Name of Organizer	P.T. Pamerindo Buana Abadi
Phone of Organizer	(62-21) 316-2001
Fax of Organizer	(62-21) 316-1983/4
E-mail of Organizer	pamindo@rad.net.id
Hotel Website	<a href="http://www.sheraton.com">http://www.sheraton.com</a>

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